



PLUS-PROJECT TAX STRATEGY

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Version: 1.0
Date: 12 September 2024

Version Control Table

Version	Date of Version	Signed	Reason for Change	Areas Changed
1.0	12 September 2024		Initial version	N/A

Plus-Project Tax Strategy will be reviewed annually at a minimum.

Introduction.....	4
Guiding Principles.....	4
Tax Compliance	4
Employee Ownership and Tax Implications	4
Subsidiary Tax Strategy	5
Suppliers.....	5
Tax Efficiency	5
Risk Management	5
Governance	5
Employee Communication and Education	6
Ethical Considerations	6
Continuous Improvement.....	6
Conclusion.....	6

Introduction

This document outlines the tax strategy for Plus-Project, the first employee-owned biostatistics clinical research organisation (CRO), and its subsidiaries. The purpose of this strategy is to ensure that Plus-Project meets all legal obligations, aligns with our core values of transparency, fairness, and long-term sustainability and maximises tax efficiency where practically possible. As an employee-owned company, it is imperative that we maintain a tax strategy that reflects our commitment to our employees while also safeguarding the company's financial health.

The strategy is approved by the Plus-Project Board and Finance team and is guided by relevant Core Values from the Plus-Project Code of Conduct where we commit to:

- Excellence in all that we do
- Sustainability across our business
- An ownership mentality and pursuing continuous improvement
- Operating fairly, transparently, honestly, and ethically

Plus-Project recognises the importance of paying taxes arising from our business operations and their contribution to the infrastructure of the societies in which we operate.

Guiding Principles

Compliance: Plus-Project will comply fully with all relevant tax laws, regulations, and disclosure requirements in all regions in which we operate.

Fairness: Plus-Project aims to pay our fair share of taxes and avoid aggressive tax avoidance schemes that could damage our reputation or sustainability.

Transparency: Plus-Project's tax affairs will be managed with transparency, ensuring clear and honest communication with tax authorities, employees, and other stakeholders.

Sustainability: Plus-Project's tax strategy will support the long-term financial sustainability of the company, considering the interests of current and future employees.

Tax Compliance

Plus-Project will ensure timely filing of all tax returns and full payment of taxes owed in every region we operate. We will maintain thorough and accurate records to support our tax filings and cooperate fully with any tax audits or inquiries from tax authorities. Any inadvertent errors or omissions or underpayments will be disclosed to the tax authorities in a timely manner.

Plus-Project engages with accountants that specialise in EOTs and ensures that we are up to date with the latest changes in tax laws and regulations. Additionally, Plus-Project engages expert tax advisors to assist in complex tax matters (i.e. R&D tax credit advice).

Employee Ownership and Tax Implications

Plus-Project will maximise the tax benefits associated with being employee-owned, namely utilising where possible the tax free bonus allowance of £3600 in the UK (paid to UK employees via PAYE). All employee bonuses (and salaries) are subject to PAYE (or equivalent in region) and relevant taxes paid on their behalf by the company. This EOT structure and the sharing of profits via PAYE bonuses (or local equivalent) protects regional tax revenues by reducing corporation tax and increasing PAYE and

national insurance. This reduces the purpose of aggressive corporation tax reduction, and the net effect is to protect income at HMRC whilst benefitting employees and business. This win-win scenario is important to us as it supports a more sustainable business model.

Subsidiary Tax Strategy

Plus-Project's specialist advisors in region have determined that we operate a cost plus model for each of the entities (Plus-Project Poland and Plus-Project Armenia) ensuring compliance with local tax legislation. A similar approach would be adopted if Plus-Project incorporates in other regions (i.e. consult with advisors in region to ensure compliance).

We will comply with all local tax laws and ensure that we meet our global tax obligations, avoiding any form of double taxation where treaties apply.

Off-shoring: Whilst not currently required by EOT legislation, the intention has always been that corporation tax is paid locally as appropriate, and the company should not off-shore its profits to low cost countries. Plus-Project supports this principle. We believe in the payment of appropriate taxes locally, and we do not seek a near-zero tax regime at the expense of local communities.

Suppliers

Plus-Project will consider supplier tax strategies (and the availability of a tax strategy) as part of their supplier vetting process.

Tax Efficiency

Plus-Project will actively seek to claim Research and Development (R&D) tax credits where applicable, for projects that drive innovation and long-term growth.

Plus-Project has a number of benefits that may lower both personal and employer tax obligations (UK only). These include:

- Work place nursery
- Cycle to work scheme
- Gym membership
- Electric vehicle scheme
- Will writing service

Risk Management

Plus-Project will conduct regular assessments of our tax position to identify and mitigate potential risks. This includes evaluating any changes in tax legislation or business operations that could impact our tax liabilities.

We will establish reserves for potential tax liabilities where uncertainty exists, ensuring that we are as prepared as possible for any eventual tax payments resulting from disputes or audits.

Governance

The Plus-Project Board will have oversight and accountability for the company's tax strategy. This includes reviewing and approving the tax strategy and ensuring that it aligns with the overall business strategy and risk profile.

Plus-Project's Finance team is responsible for performing their roles in line with tax legislation. Regular reports on tax matters will be provided to the Board, including (but not limited to) updates on compliance, risks, and opportunities. We will implement internal controls to ensure that tax compliance is managed effectively, with responsibilities clearly defined amongst finance and advisors.

Employee Communication and Education

Plus-Project will maintain open communication with employees regarding the company's tax strategy, including the implications of employee ownership on personal taxes.

We will provide ongoing education to employees on tax-related matters.

Ethical Considerations

Plus-Project is committed to avoiding aggressive tax planning strategies that, while legal, could be seen as unethical or that could jeopardise our reputation and relationships with stakeholders. Plus-Project is a responsible tax payer and adopts a cautious and conservative tax planning strategy.

As an employee-owned company, we recognise our role in contributing to society through taxes. Our strategy will reflect a balance between optimising tax efficiency and fulfilling our social responsibilities.

Continuous Improvement

Plus-Project's tax strategy will be reviewed annually and adapted as necessary to respond to changes in tax laws, business operations, or the economic environment.

As an employee-owned company, we have established feedback mechanisms for employees through which they can provide input on all elements of the business including tax strategy, ensuring that it reflects the values and interests of all stakeholders.

Conclusion

Plus-Project's tax strategy is designed to support the sustainable growth of the business while aligning with our core values as an employee-owned company. By adhering to this strategy, we will ensure that we meet our tax obligations, manage risks effectively, and maintain the trust of our employees and other stakeholders.